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DEPARTMENT OF AGRICULTURE

Rural Utilities Service

Dairyland Power Cooperative: CapX 2020 Hampton-Rochester-La Crosse 345-kV

Transmission Line Proposal

AGENCY: Rural Utilities Service, USDA.

ACTION: Notice of Availability of a Record of Decision.

SUMMARY: The Rural Utilities Service (RUS) has issued a Record of Decision (ROD)

for the Environmental Impact Statement (EIS) related to providing financial assistance to

the Dairyland Power Cooperative (Dairyland) for its share in the construction of a

proposed 345-kilovolt (kV) transmission line and associated infrastructure between

Hampton, Minnesota and the La Crosse area in Wisconsin (Proposal). The Administrator

of RUS has signed the ROD, which was effective upon signing. The EIS was prepared

pursuant to the National Environmental Policy Act (NEPA) (U.S.C. 4231 et seq.) and in

accordance with the Council on Environmental Quality's (CEQ) regulations for

implementing the procedural provisions of NEPA (40 CFR Parts 1500-1508) and RUS'

Environmental Policies and Procedures (7 CFR 1794).

ADDRESSES: To obtain copies of the ROD or for further information, contact:

Stephanie Strength, Environmental Protection Specialist, USDA, Rural Utilities Service,

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1400 Independence Avenue, SW, Room 2244, Stop 1571, Washington, DC 20250-1571, or email stephanie.strength@wdc.usda.gov. The ROD is also available at RUS' website at http://www.rurdev.usda.gov/UWP-CapX2020-Hampton-Rochester-LaCrosse.html.

SUPPLEMENTARY INFORMATION: As the lead federal agency, and as part of its broad environmental review process, RUS must take into account the effect of the Proposal on historic properties in accordance with Section 106 of the National Historic Preservation Act (16 U.S.C. § 470f) and its implementing regulation "Protection of Historic Properties" (36 CFR Part 800). Pursuant to 36 CFR § 800.2(d)(3), RUS used its procedures for public involvement under NEPA, in part, to meet its responsibilities to solicit and consider the views of the public and other interested parties during the Section 106 review process. Accordingly, comments submitted in the EIS process also informed RUS's decision making in the Section 106 review process.

Dairyland is participating in the proposal with a number of other utilities. The other participants include Xcel Energy [comprised of Northern States Power Company, a Minnesota Corporation (NSPM), and Northern States Power Company, a Wisconsin Corporation (NSPW)], Southern Minnesota Municipal Power Agency (SMMPA), Rochester Public Utilities (RPU), and WPPI Energy, Inc. (WPPI)]. The purpose of the proposal is to: (1) improve community reliability of the transmission system in Rochester, Winona, La Crosse, and the surrounding areas, which include areas Dairyland currently provides electrical service; (2) improve the regional reliability of the transmission system; and (3) increase generation outlet capacity.

The U.S. Army Corps of Engineers (USACE) and the U.S. Fish and Wildlife Service (USFWS) participated in the EIS as cooperating agencies, with RUS as the lead federal agency. The USACE and the USFWS will each issue its own ROD as necessary. The proposal includes construction and operation of a 345-kV transmission line and associated infrastructure, two 161-kV transmission lines in the vicinity of Rochester, Minnesota, and two new and three expanded substations, with a total transmission line length of approximately 171 miles. Counties through which the proposal will pass include Dakota, Goodhue, Wabasha, and Olmsted in Minnesota, and La Crosse, Trempealeau, and Buffalo in Wisconsin.

The decision documented in RUS' ROD is that RUS agrees to consider, subject to loan approval, financing Dairyland's share in the proposal. Details regarding RUS' regulatory authority, rationale for the decision, and compliance with applicable regulations are included in the ROD.

RUS published its Notice of Availability (NOA) for the Draft EIS in the Federal

Register on December 16, 2011 (76 FR 78235-78236), and in newspapers of general
circulation within the proposal's area of environmental impact. The U.S. Environmental
Protection Agency (USEPA) published its notice of receipt of the Draft EIS in the
Federal Register on December 16, 2011 (76 FR 78235-78236). The comment period for
the Draft EIS was extended from 45 to 60 days and ended on February 13, 2012. Public
hearings to receive comments on the Draft EIS were held from January 9 to 13, 2012, in
Alma and Galesville, Wisconsin; Wanamingo, Cannon Falls, and Plainview, Minnesota.
All comments received on the Draft EIS were addressed in the Final EIS. RUS published
its NOA of the Final EIS in the Federal Register on July 13, 2012 (77 FR 41369-41370),

and in newspapers of general circulation within the Proposal's area of environmental impact. USEPA published its notice of receipt of the Final EIS in the <u>Federal Register</u> on July 20, 2012 (77 FR 42727-42728). The 30-day comment period ended on August 20, 2012. Comments received on the Final EIS were addressed in the ROD.

After considering alternatives to meet the purpose and need of the proposal, Dairyland identified participation in construction of the proposal as its best course of action. A number of alternatives to meet the purpose and need were considered, but not studied in detail, including demand side management, use of existing generation and transmission, new generation, decentralized generation systems, undergrounding of the transmission line, and a number of route alternatives.

Among the alternatives addressed in detail in the EIS is the No Action alternative, under which the proposal would not be undertaken, and a number of route alternatives identified and considered in the EISs prepared for the proposal by the States of Minnesota and Wisconsin.

Based on an evaluation of the information and impact analyses presented in the EIS, RUS finds that the evaluation of reasonable alternatives is consistent with NEPA and RUS Environmental Policies and Procedures. Details regarding RUS' regulatory authority, rationale for the decision, and compliance with applicable regulations are included in the ROD. Because the proposal may involve action in floodplains or wetlands, this Notice also serves as a final notice of action in floodplains and wetlands (in accordance with Executive Orders 11988 and 11990).

This ROD is not a decision on Dairyland's loan application and therefore not an approval of the expenditure of federal funds. This notice of the ROD concludes RUS'

environmental review process in accordance with NEPA and RUS' Environmental

Policies and Procedures (7 CFR 1794). The ultimate decision as to loan approval

depends upon the conclusion of this environmental review process plus financial and

engineering analyses. Issuance of the ROD will allow these reviews to proceed.

Dated: January 11, 2013

John Charles Padalino

Acting Administrator

Rural Utilities Service

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